

**Washington State Health Benefit Exchange  
Plan Management Workgroup -- proposal for discussion  
Discussed August 14, 2012 and September 25, 2012  
Draft v2.0**

**When should HBE Close or Terminate a Qualified Health Plan?**

**Introduction**

Health Benefit Exchange (HBE) staff identified the following circumstances when a qualified health plan could be terminated or closed to new enrollment.

When terminated, that plan's enrollees would select coverage through a Special Enrollment period.

When closed to new enrollment, a qualified health plan will not participate in the Special Enrollment events of subscribers from different qualified health plans. A closed qualified health plan, however, must continue to enroll individuals through Special Enrollments performed for its own subscribers.

HBE staff would like to ask the Workgroup to respond to the circumstances described below. Also, please inform us if we neglected to describe any additional circumstances where terminating or closing a plan might be necessary.

**1. Will HBE terminate a qualified health plan if an issuer leaves the individual market by invoking RCW 48.43.038(3)(d) or the small group market by invoking RCW 48.43.035(4)(d)?**

Yes. HBE must decertify the qualified health plan, terminate coverage for all enrollees in the decertified plans, and offer those enrollees Special Enrollment in any qualified health plan offering coverage in that market through the Exchange.

**2. Will HBE terminate a qualified health plan that no longer complies with certain certification criteria?**

Yes. The issuer can resubmit the plan for certification by HBE. Closure by HBE does not affect how the plan is offered outside of the Exchange.

**3. Will HBE close a qualified health plan to new enrollment if the Office of Insurance Commissioner determines that the issuer can no longer enroll new enrollees in the plan?**

Yes. HBE will close the qualified health plan to new enrollment by removing the plan from its web pages. The plan, however, will retain its status as a qualified health plan, but HBE will designate the qualified health plan as closed to new enrollment. The OIC will need to determine that the qualified health plan can be offered to new enrollees before the HBE will resume offering it through the Exchange.

**4. At the request of an issuer, will HBE close a qualified health plan to new enrollment during the plan year?**

No. HBE will not consider requests to stop offering plans during a plan year. An issuer, however, has the authority to close an individual or small group plan.

**5. Will HBE close a plan to new enrollment when an issuer discontinues enrollment in an individual plan by invoking RCW 48.43.038(3)(c) or a small group plan by invoking RCW 48.43.035(4)(c)?**

Yes. The issuer must inform HBE at least five working days before the issuer informs the enrollees that a qualified health plan will be closed to new enrollment. HBE will close the qualified health plan to new enrollment by removing the plan from its web pages. The plan, however, will retain its status as a qualified health plan, but HBE will designate the qualified health plan as closed to new enrollment. The qualified health plan will need to be recertified before HBE will resume offering it through the Exchange.

**6. While recertifying a qualified health plan, will HBE entertain a request by an issuer to close a plan when the next plan year begins?**

No. HBE will only recertify qualified health plans that will actively offer enrollment through the Exchange.

**7. Will HBE allow a qualified health plan to expire at the end of the plan year?**

Yes. Issuers can designate that a qualified health plan will expire at the end of a plan year. Issuers must inform HBE, by the time the plan is submitted for recertification, that the plan will expire.